

Q00K00
Criminal Injuries Compensation Board
 Department of Public Safety and Correctional Services

Operating Budget Data

	(\$ in Thousands)					
	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 02-04 Change</u>	<u>FY 05</u>	<u>FY 04-05 Change</u>
Operations	\$453	\$532	\$476	\$24	\$513	\$37
Contractual Services	10	3	37	27	7	-30
Grants	5,004	4,711	5,450	446	5,450	0
Contingent & Back of Bill Reductions	0	0	0	0	-1	-1
Adjusted Grand Total	\$5,466	\$5,246	\$5,963	\$497	\$5,970	\$6
Special Funds	3,971	3,665	4,583	611	4,550	-33
Contingent & Back of Bill Reductions	0	0	0	0	-1	-1
Adjusted Special Funds	\$3,971	\$3,665	\$4,583	\$611	\$4,549	-\$34
Federal Funds	1,495	1,581	1,349	-146	1,421	72
Reimbursable Funds	0	0	32	32	0	-32
Adjusted Grand Total	\$5,466	\$5,246	\$5,963	\$497	\$5,970	\$6
Annual % Change		-4.0%	13.7%		0.1%	

Personnel Data

	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 02-04 Change</u>	<u>FY 05</u>	<u>FY 04-05 Change</u>
Regular Positions	7.0	7.0	7.0	0.0	7.0	0.0
Contractual FTEs	2.5	2.4	3.9	1.5	3.9	0.0
Total Personnel	9.5	9.4	10.9	1.5	10.9	0.0

Vacancy Data: Regular Positions

Turnover Expectancy	0.00	0.00%
Positions Vacant as of 12/31/03	1.00	14.29%

Note: Numbers may not sum to total due to rounding.

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Analysis in Brief

Major Trends

Caseloads and Awards: The agency's caseload is increasing while the amount of awards and the number of awards made in a fiscal year are decreasing. **The Criminal Injuries Compensation Board should be prepared to discuss the increase in cases carried forward and plans to improve the processing time for award applications.**

Issues

Funding: The Criminal Injuries Compensation Fund may carry a fund balance at the end of fiscal 2004. The federal government has increased the rate of reimbursement to the fund by 50%. **DLS recommends that the General Assembly review the fund balance and fund revenue information during the 2005 session.**

Recommended Actions

1. Concur with Governor's allowance.

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Operating Budget Analysis

Program Description

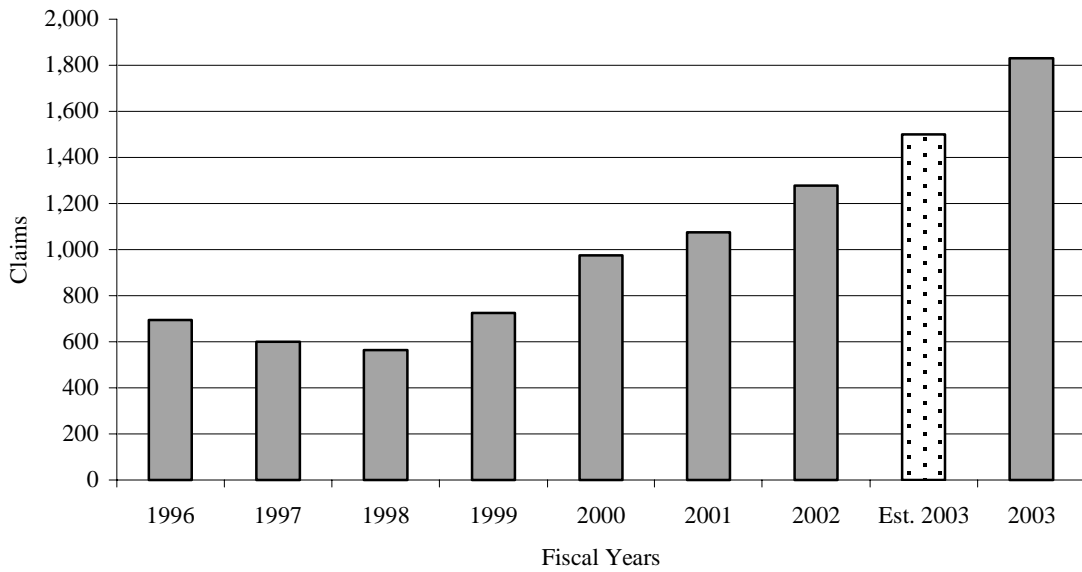
The Criminal Injuries Compensation Board (CICB) awards grants to innocent victims of crime who incur financial hardship as a result of crime, including the cost of funeral expenses. Grants for disabilities are limited to \$25,000, and grants for medical claims are limited to \$45,000. There is a maximum award cap of \$45,000. Funding for these grants is generated by the State's Criminal Injuries Compensation Fund (CICF) from fees assessed by circuit and district courts. CCIF is also supplemented by federal funds.

Performance Analysis: Managing for Results

There are two major objectives of CICB's Managing for Results that are appropriate measures of the agency's success. The first objective is to increase the number of eligible applications received. **Exhibit 1** shows that the number of claims accepted between 1996 and 2003 has increased 163.7%, or 1,136 claims. The number of claims accepted in fiscal 2003 exceeded the estimates by 330 cases. At least 92% of these claims were determined by CICB to be award eligible in fiscal 2003, an acceptance rate which is 2% below fiscal 2002 levels.

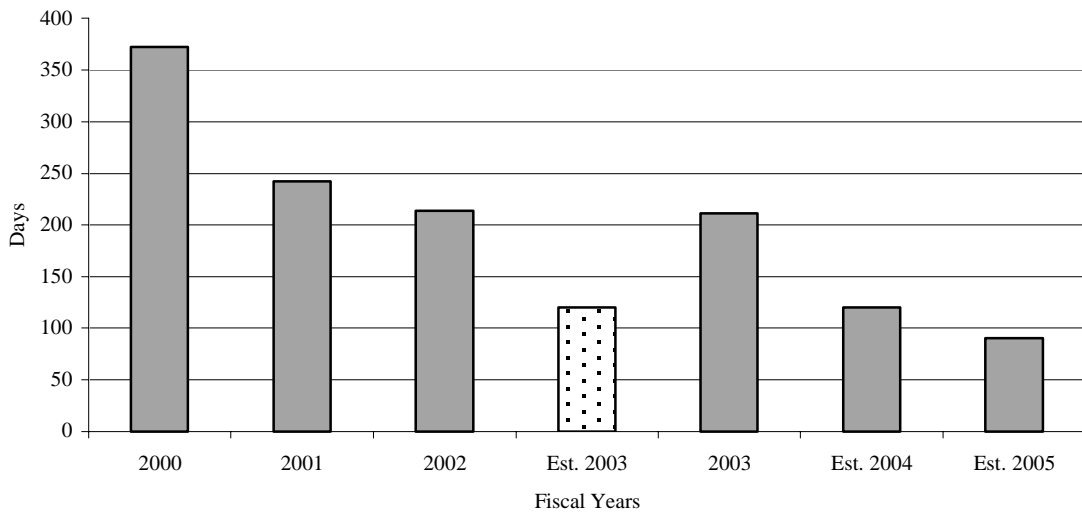
The next objective is to increase the number of eligible applications that are resolved (have a final decision from CICB) within 120 days from receipt. **Exhibit 2** shows that between fiscal 2000 and 2002 the average number of days to process a claim decreased 43.3%, or 161 days. The agency attributes this reduction to increasing the number of investigators, streamlining the process, and utilizing technological resources. While the decrease is laudable, the reduction is 91 days above the fiscal 2003 estimate and well above the 120 day objective. **Exhibit 3** shows that the amount of grants awarded in fiscal 2003 was reduced by approximately \$293,000, or 5.9%. This is partially explained by two factors. First, the number of awards in fiscal 2003 (680) is below the fiscal 2002 level (832). Additionally, the number of claims carried forward into fiscal 2004 increased by 98.1%, from 724 cases to 1,434 cases. **The board should be prepared to discuss the increase in cases carried forward and plans to improve the processing time for award applications.**

**Exhibit 1
Claims Accepted**



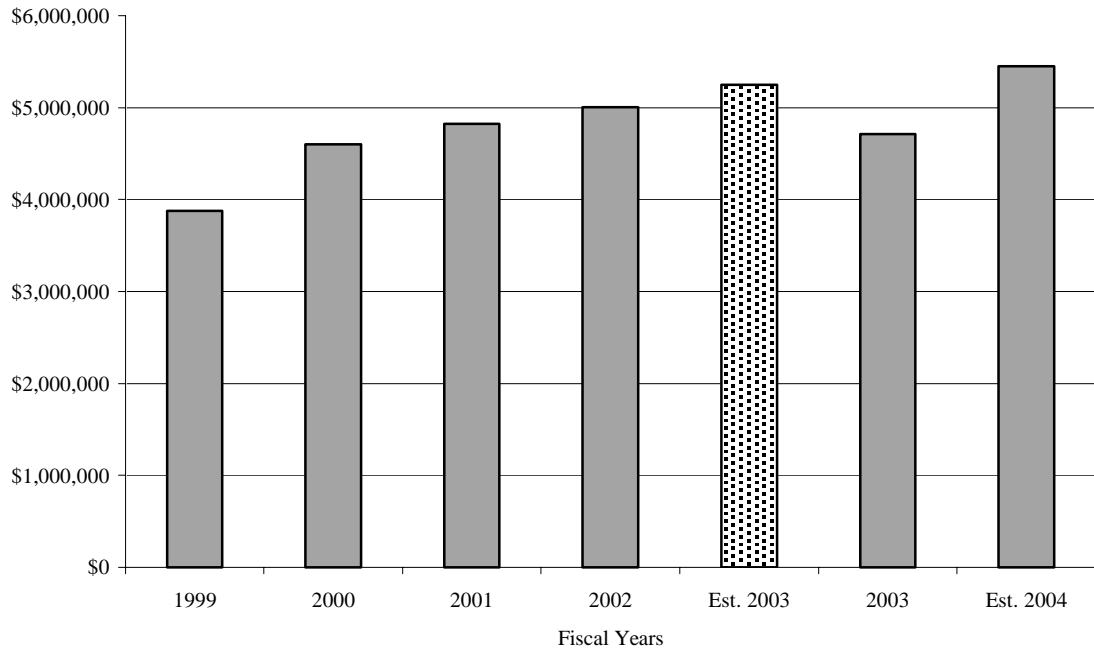
Source: Department of Public Safety and Correctional Services

**Exhibit 2
Average Number of Days to Process a Claim**



Source: Department of Public Safety and Correctional Services

**Exhibit 3
Amount of Claims Awarded**



Source: Department of Public Safety and Correctional Services

Governor’s Proposed Budget

The fiscal 2005 allowance provides for a \$6,000, or 0.1% increase as shown in **Exhibit 4**. The increase is attributable to growth in employee and retiree costs offset by decreases in the supplies and materials and equipment categories.

**Exhibit 4
Governor’s Proposed Budget
Criminal Injuries Compensation Board
(\$ in Thousands)**

	<u>FY 03 Actual</u>	<u>FY 04 Approp.</u>	<u>FY 05 Allowance</u>	<u>FY 04-05 Change</u>	<u>FY 04-05 % Change</u>
Special Funds	\$3,665	\$4,583	\$4,550	-\$33	-0.7%
Contingent & Back of Bill Reductions	0	0	-1	-1	
Adjusted Special Funds	\$3,665	\$4,583	\$4,549	-\$34	-0.7%
Federal Funds	\$1,581	\$1,349	\$1,421	\$72	5.3%
Reimbursable Funds	\$0	\$32	\$0	-\$32	-100.0%
Adjusted Grand Total	\$5,246	\$5,963	\$5,970	\$6	0.1%

Where It Goes:

Personnel Expenses

Increments and other compensation	\$5
Employee and retiree health insurance	13
Turnover adjustments.....	-9
Other fringe benefit adjustments	5

Other Changes

Supplies and materials	-7
Other	1
Equipment	-3
Contractual services.....	1

Total **\$6**

Note: Numbers may not sum to total due to rounding.

Q00K00 – DPSCS – Criminal Injuries Compensation Board

Impact of Cost Containment

The fiscal 2005 allowance reflects the elimination of \$1,136, the appropriation for matching employee deferred compensation contributions up to \$600, contingent upon enactment of a provision in the budget reconciliation legislation.

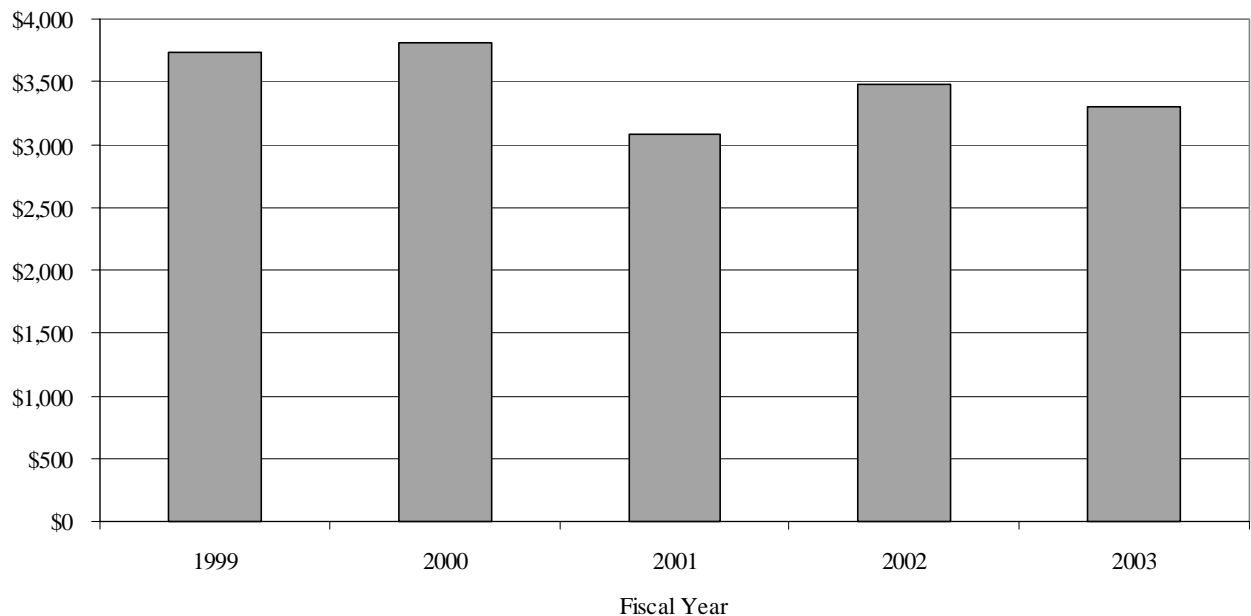
Issues

1. Funding

Funding for CICB and the awards it grants are derived from district, circuit, and other fees assessed by the judicial system. The courts have the authority to charge a defendant convicted of a crime a \$35 fee in District Court and a \$45 fee if convicted in circuit court. The court also assesses a defendant convicted for certain offenses a \$3 fee. This money is divided between three funds: the State Victims of Crime Fund, the Victim and Witness Protection Fund, and CICF.

CICF receives approximately \$20 per convicted defendant in circuit and District Court. **Exhibit 5** shows that the revenue from the District Court has declined 11.4% between fiscal 1999 and 2003. Additionally, CICF receives one half of the attainment up to \$500,000 from the assessment of the \$3 fee and all of the attainment above \$500,000.

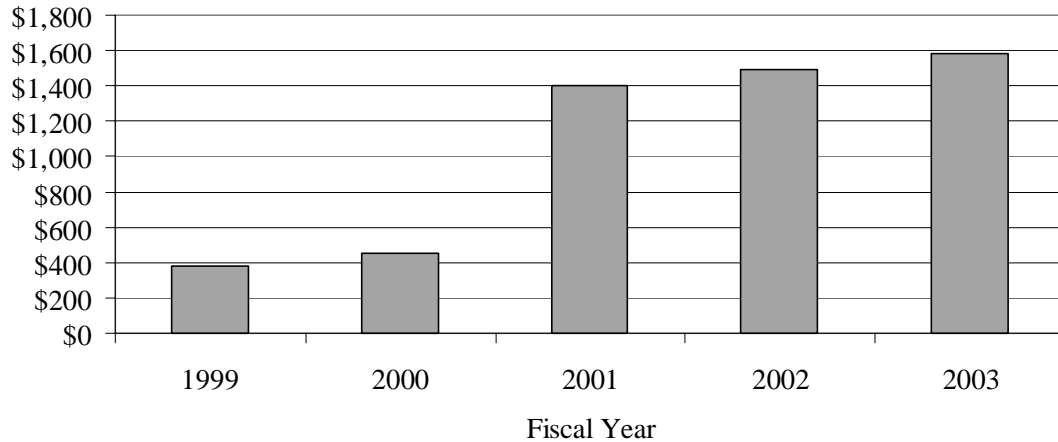
Exhibit 5
Revenue from Court Fees by Fiscal Year
(\$ in Thousands)



Source: Department of Public Safety and Correctional Services

CICF also receives reimbursements from the federal government for awards actually made. The board indicates that the reimbursement rate has increased by 50% during fiscal 2003, from 40 to 60% of actual awards. **Exhibit 6** shows the reimbursement rate from the federal government for fiscal 1999 to 2003. The federal government has increased reimbursements 318.3%, or \$1.2 million.

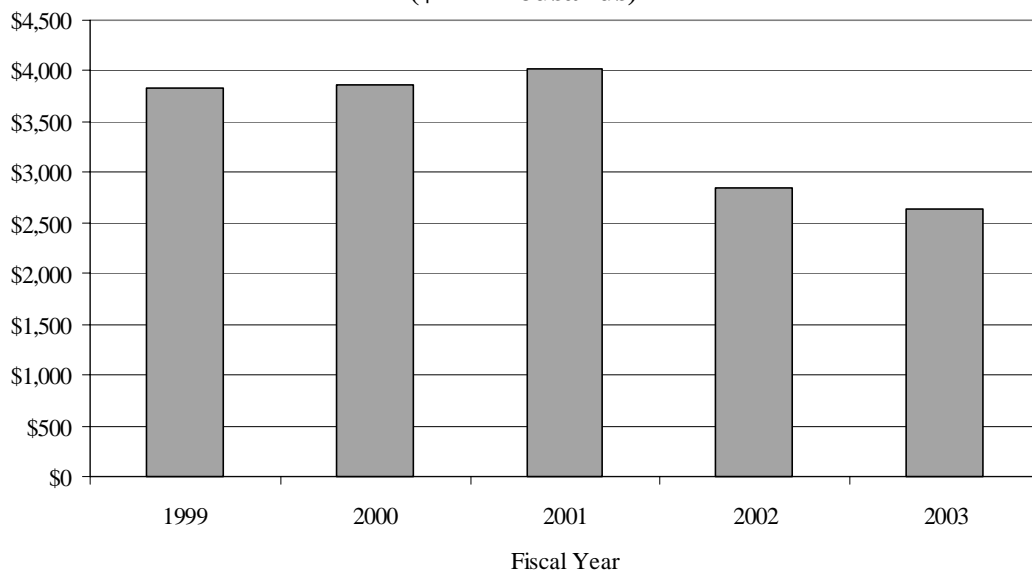
Exhibit 6
Federal Fund Revenue
(\$ in Thousands)



Source: Department of Public Safety and Correctional Services

The combination of revenue sources and the decrease in amount of funds awarded, as shown previously in Exhibit 3, should cause the fund balance to increase by the end of fiscal 2004. **Exhibit 7** shows that between fiscal 1999 and 2003 the fund balance has declined \$1.2 million, or 31.2%.

Exhibit 7
Year End Fund Balance by Fiscal Year
(\$ in Thousands)



Q00K00 – DPSCS – Criminal Injuries Compensation Board

Source: Department of Public Safety and Correctional Services

The board has submitted two bills, Senate Bills 43 and 44, which modify the awards issued by CICB. Senate Bill 43 provides that any proceeds of life insurance in excess of \$25,000 must be deducted from final awards made from CICF. The bill eliminates a current requirement to reduce an award by any amount of insurance recovery.

Senate Bill 44 increases the amount payable as an emergency award from CICF from \$1,000 to \$2,000. The bill also provides that, upon written request by a claimant, and for compelling reason, CICB may waive the requirement that a claimant repay all or part of an emergency award. The bills combined with the potential growth of the fund balance suggest that CICF may be over-funded for its current mission. **DLS recommends that the General Assembly review the fund balance and fund revenue information during the 2005 session.**

Recommended Actions

1. Concur with Governor's allowance.

Current and Prior Year Budgets

**Current and Prior Year Budget
Criminal Injuries Compensation Board
(\$ in Thousands)**

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2003					
Legislative Appropriation	\$0	\$4,117	\$1,580	\$0	\$5,697
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	0	0	1	0	1
Cost Containment	0	0	0	0	0
Reversions and Cancellations	0	-451	0	0	-451
Actual Expenditures	\$0	\$3,665	\$1,581	\$0	\$5,246
Fiscal 2004					
Legislative Appropriation	\$0	\$4,583	\$1,349	\$0	\$5,932
Cost Containment	0	0	0	0	0
Budget Amendments	0	0	0	32	32
Working Appropriation	\$0	\$4,583	\$1,349	\$32	\$5,963

Note: Numbers may not sum to total due to rounding.

Q00K00 – DPSCS – Criminal Injuries Compensation Board

**Object/Fund Difference Report
DPSCS – Criminal Injuries Compensation Board**

<u>Object/Fund</u>	<u>FY03 Actual</u>	<u>FY04 Working Appropriation</u>	<u>FY05 Allowance</u>	<u>FY04 - FY05 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	7.00	7.00	7.00	0	0%
02 Contractual	2.35	3.91	3.91	0	0%
Total Positions	9.35	10.91	10.91	0	0%
Objects					
01 Salaries and Wages	\$ 333,964	\$ 319,589	\$ 364,112	\$ 44,523	13.9%
02 Technical & Spec Fees	71,793	97,474	97,704	230	0.2%
03 Communication	11,269	8,470	9,270	800	9.4%
04 Travel	3,453	4,300	4,800	500	11.6%
08 Contractual Services	3,077	37,104	7,450	-29,654	-79.9%
09 Supplies & Materials	1,921	11,900	5,000	-6,900	-58.0%
10 Equip - Replacement	0	2,680	0	-2,680	-100.0%
11 Equip - Additional	80,606	0	0	0	0.0%
12 Grants, Subsidies, Contr	4,710,949	5,450,000	5,450,000	0	0%
13 Fixed Charges	29,267	31,867	32,373	506	1.6%
Total Objects	\$ 5,246,299	\$ 5,963,384	\$ 5,970,709	\$ 7,325	0.1%
Funds					
03 Special Fund	\$ 3,665,299	\$ 4,582,884	\$ 4,549,709	-\$ 33,175	-0.7%
05 Federal Fund	1,581,000	1,349,000	1,421,000	72,000	5.3%
09 Reimbursable Fund	0	31,500	0	-31,500	-100.0%
Total Funds	\$ 5,246,299	\$ 5,963,384	\$ 5,970,709	\$ 7,325	0.1%

Note: The fiscal 2004 appropriation does not include deficiencies, and the fiscal 2005 allowance does not reflect contingent reductions.